AMENDED IN ASSEMBLY APRIL 22, 2014 AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 2609

Introduced by Assembly Member Nestande

(Coauthor: Senator Knight)

February 21, 2014

An act to amend Section 23356.2 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 2609, as amended, Nestande. Home brewers and home winemakers.

Existing law authorizes a person to manufacture beer or wine for personal or family use without the need for a license or permit, as provided. Existing law authorizes the removal of beer or wine from the premises where made for personal or family use, for specified purposes, including at bona fide competitions or exhibitions. Existing law also authorizes these products to be removed from the premises when donated to a nonprofit organization for sale at a fundraising event, but excludes from this authorization nonprofit organizations that either promote home brewing or home winemaking or that are primarily composed of home brewers or home winemakers, as specified. The Alcoholic Beverage Control Act provides that a violation of any of its provisions for which another penalty or punishment is not specifically provided is a misdemeanor.

This bill would revise the description regarding permit the removal and use of home brewed beer or homemade wine to permit its removal

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and use at in connection with a bona fide competition or judging or a bona fide exhibition or tasting. This The bill would also allow nonprofit organizations that either promote home brewing or home winemaking, or that are primarily composed of home brewers or home winemakers, to sell beer or wine to serve beer at fundraising events subject to specified conditions, including requiring an educational component to the event and limiting the nonprofit organization to 2 of these types of events that sell wine or serve beer pursuant to this authorization per year. This bill would specify that the charging of an entrance fee at a fundraising event held by the nonprofit organization does not constitute the sale of wine or beer.

By expanding the definition of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 23356.2 of the Business and Professions
- Code is amended to read:
 23356.2. (a) No license or permit shall be required for the
- 4 manufacture of beer or wine for personal or family use, and not 5 for sale, by a person over 21 years of age. The aggregate amount
- 6 of beer or wine with respect to any household shall not exceed (1)
- 7 100 gallons per calendar year if there is only one adult in the
- 8 household or (2) 200 gallons per calendar year if there are two or
- 9 more adults in the household.
- 10 (b) Beer or wine produced pursuant to this section may be 11 removed from the premises where made only under any of the 12 following circumstances:
- 13 (1) For use, including in a bona fide competition or judging or 14 a bona fide exhibition or tasting.
- 15 (2) For personal or family use.
- 16 (3) When donated to a nonprofit organization for use as provided 17 in subdivision (c) or(d).

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(c) (1) Beer or wine produced pursuant to this section may be donated to a nonprofit organization for sale at fundraising events conducted solely by and for the benefit of the nonprofit organization. Beer and wine donated pursuant to this subdivision may be sold by the nonprofit organization only for consumption on the premises of the fundraising event, under a license issued by the department to the nonprofit organization pursuant to this division.

- (2) Beer or wine donated and sold pursuant to this subdivision shall bear a label identifying its producer and stating that the beer or wine is homemade and not available for sale or for consumption off the licensed premises. The beer or wine is not required to comply with other labeling requirements under this division. However, nothing in this paragraph authorizes the use of any false or misleading information on a beer or wine label.
- (3) (A) A nonprofit organization established for the purpose of promoting home production of beer or wine, or whose membership is composed primarily of home brewers or home winemakers, shall be eligible to sell beer or wine pursuant to this subdivision, subject to the following conditions:
- (i) The beer or wine for sale is donated by home brewers or home winemakers.
- (ii) The nonprofit organization shall be issued no more than two permits per calendar year for the sale of beer or wine pursuant to this subdivision.
- (iii) The nonprofit organization shall display a printed notice at the event that states that home brewed beer and homemade wine are not regulated products subject to health and safety standards.
- (iv) The event shall have an educational component that includes instruction on the subject of beer or wine, including, but not limited to, the history, nature, values, and characteristics of beer and wine, the use of beer and wine lists, and the methods of presenting and serving beer and wine.
- (B) A nonprofit organization established for the purpose of promoting home production of beer or wine, or whose membership is composed primarily of home brewers or home winemakers may charge an entrance fee at a fundraising event conducted solely by, and for the benefit of, the nonprofit organization. This charge shall not constitute the sale of beer or wine pursuant to this subdivision.

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(3) A nonprofit organization established for the purpose of promoting home production of beer or wine, or whose membership is composed primarily of home brewers or home winemakers, shall not be eligible to sell beer pursuant to this subdivision.

- (d) A nonprofit organization established for the purpose of promoting home production of beer shall be eligible to serve beer at a fundraising event conducted solely for the benefit of the nonprofit organization pursuant to this subdivision, subject to the following conditions:
 - (1) The beer that is served is donated by home brewers.
- (2) The nonprofit organization shall be issued no more than two permits per calendar year for the serving of beer pursuant to this subdivision.
- (3) The nonprofit organization shall display a printed notice at the event that states that home brewed beer is not a regulated product subject to health and safety standards.
- (4) The event shall have an educational component that includes instruction on the subject of beer, including, but not limited to, the history, nature, values, and characteristics of beer, the use of beer lists, and the methods of presenting and serving beer.
- (5) Only bona fide members of the nonprofit organization may attend the event.
- (6) The nonprofit organization shall not solicit or sign up individuals to be members of the nonprofit organization on the day of the event at the event premises.
- (7) The nonprofit organization shall provide the department with a list of attendees 48 hours before the event if more than 50 members are expected to attend the event.

(d)

(e) Except as provided in subdivision (c), this section does not authorize the sale or offering for sale by any person of any beer or wine produced pursuant to this section.

(e)

- (f) Except as provided herein, nothing in this section authorizes any activity in violation of Section 23300, 23355, or 23399.1.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district are the result of a program for which legislative authority was requested by that local agency or school district, within the

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- meaning of Section 17556 of the Government Code and Section
 6 of Article XIII B of the California Constitution.